

SEP 22 '99

11-25 AM

**BOMBARDIER
CAPITAL**

Bombardier Capital Rail Inc.
6900 Wedgwood Road, Suite 120
Maple Grove, MN 55311 United States
Telephone 1 (612) 420-8000
Fax 1 (612) 420-8003
<http://www.capital.bombardier.com>

August 23, 1999

Surface Transportation Board
Recording Department
1925 K. Street NW, Suite 700
Washington, D.C. 20423

Dear Sir or Madam,

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) originals of Memorandum of Railcar Lease Agreement dated as of February 23, 1999, a primary document as defined in the Board's Rules for Recordation of Documents.

The names and addresses of the parties to the enclosed documents are:


Lessor: Bombardier Capital Rail Inc.
(formerly called NorRail, Inc.)
6900 Wedgwood Road, Suite 120
Maple Grove, MN 55311
Phone: 612-416-7205

Lessee: Holnam, Inc.
6211 Ann Arbor Road
Dundee, MI 48131
Phone: 734-529-4216

The enclosed Memorandum of Railcar Lease Agreement covers the twenty (20) 3260 Cu. Ft. Covered Hopper Railcars bearing reporting marks and numbers NRLX032706 through NRLX032725, inclusive.

Enclosed is our check in the amount of \$26.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped copy of the enclosed document to the undersigned. If you have any questions or require any further information in connection with this filing, please contact the undersigned at 612-416-7205.

Very truly yours,


Bradley C. Gunstad
Vice President & General Counsel
Enclosures

FORMS/STB.h001

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MEMORANDUM OF RAILCAR LEASE AGREEMENT

THIS MEMORANDUM OF RAILCAR LEASE AGREEMENT is made and entered into as of February 23, 1999 by and between **NorRail, Inc.**, a Minnesota Corporation ("Lessor") and **Holnam, Inc.**, a Michigan ~~Delaware~~ Corporation ("Lessee"), with reference to the following:

1. Lessor has agreed to lease to Lessee, and Lessee has agreed to lease from Lessor various railcars pursuant to one or more Schedules to the Lease to be entered into by Lessor and Lessee from time to time, all as more particularly described in that certain Railcar Service and Lease Agreement No. 1824 dated February 23, 1999 between Lessor and Lessee (hereinafter referred to as the "Lease").

2. Pursuant to Schedule No. 1 to the Lease, Lessor has agreed to lease to Lessee and Lessee has agreed to lease from Lessor the twenty (20) railcars bearing the reporting marks and numbers NRLX032706 through NRLX032725, inclusive, all as more particularly described in the Lease.

3. The Lease shall be effective as of the execution date thereof and shall be subject to the term of the Lease, as provided therein.

IN WITNESS WHEREOF, the parties hereto have executed or caused this Memorandum of Railcar Lease Agreement to be executed as of the date first above written.

LESSOR: **NorRail, Inc.**

By: L. Lee Struble
Its: **L. Lee Struble**
Vice President-Sales

By: Bradley C. Gunstad
Its: **Bradley C. Gunstad**
Vice President & General Counsel

LESSEE: **Holnam, Inc.**

By: Linda Mackyella
Its: **Logistics Mgr - Rail Transportation**

By: Sharon Stringer
Its: **Sr V.P. Logistics**

STATE OF Michigan, COUNTY OF Monroe TO WIT:

On this 23rd day of February, 1999 before me personally appeared, Linda MacMullen and Joorman Stings, to me personally known, who being by me duly sworn, says that they are the Logistics Mgr. - Rail Transpand S.V.P. Logistics, respectively of Holnam, Inc., a Delaware Corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and they acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(Seal)

Loretta F. Root
Notary Public

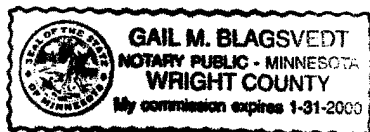
My commission expires: 8-18-2001

LORETTA F. ROOT
Notary Public, Monroe County, MI
My Commission Expires Aug. 18, 2001

STATE OF MINNESOTA, COUNTY OF WRIGHT TO WIT:

On this 23rd day of February, 1999 before me personally appeared, L. Lee Struble and Bradley C. Gunstad, to me personally known, who, being by me duly sworn, say that they are the Vice President-Sales and Vice President and General Counsel, respectively of NorRail, Inc. a Minnesota Corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and they acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(Seal)



Gail M. Blagsvedt
Notary Public

My commission expires: 1-31-2000